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SUBJECT: JERUSALEM MEDIA REACTION (12/07): Will a Prisoner-Exchange Deal Move Negotiations Forward?

Main Stories:

Independent News Outlet Ma'an, and the dailies, report that Israeli Prime Minister Benjamin Netanyahu stressed that the settlement suspension is limited to a ten-month timeframe only - not beyond. The Prime Minister added that "in the Cabinet's decision, we made it clear that upon the conclusion of the period of suspension, construction will resume."

The Palestinian dailies continue to report on protests by West Bank settlers against the GOI's settlement moratorium. Coverage notes that settlers set fire to Palestinian vehicles and buildings and uprooted more than 50 trees in the northern West Bank village of Einabous near Nablus on Sunday. Lead photos in the dailies today depict the burned and damaged property in the village of Einabous.

Palestinian media reports on the European Foreign Ministers meeting today in Brussels to discuss the Swedish initiative aimed at recognizing East Jerusalem as the capital of a future Palestinian state. Netanyahu contacted a number of European leaders urging them not to vote for the proposal. In related news, Independent daily Al-Ayyam reports that France proposed an amendment to the initiative calling for the recognition of Jerusalem as the capital for both the states of Israel and Palestine.

News on the Gilad Shalit prisoner-exchange deal receives front page coverage in the dailies. According to coverage, the German mediator for an exchange deal is in Israel today to submit Hamas' response to the GOI. The dailies quote a well-informed Hamas source as stating that the next 48 hours will either lead to the conclusion of the deal, or postponement of it. In related news, senior Hamas leader Mahmoud Zahhar denies reports in Al-Hayat Al-Jadida that a French

medical delegation visited Shalit in Gaza. Egyptian Foreign Minister Abu Gheit accused Israel of obstructing a final deal.

Palestinian Authority (PA) official daily Al-Hayat Al-Jadida and Ma'an report on President Mahmoud Abbas' visit to Lebanon today seeking the Arab states' support for a UNSC resolution delineating the borders of a Palestinian state. Abbas reiterated his opposition to resettling Palestinian refugees in Lebanon. "The Palestinians are guests in Lebanon until our question is resolved... (w)e will not accept any homeland other than Palestine," Abbas said in an interview with the Lebanese daily Al-Liwa.

Weekend stories:

Sunday, December 6

Al Ayyam, Al Hayat Al Jadida front page story. Daniel Ben Simon, a Labor Party Member of the Knesset, said that Prime Minister Netanyahu has informed him that the prisoner-exchange deal will take place within two weeks, and will include Marwan Al Barghouthi, member of the Central Committee of Fatah movement. However, Netanyahu's office, which maintains complete silence regarding the developments in negotiations regarding the deal, rushed to deny Ben Simon's statements or that Netanyahu made such comments. Ben Simon had given statements to the Israeli media saying that Marwan Al Barghouthi was on the list of those to be released and that the

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discussions are taking place only about the possibility of expelling him for a specific period of time or releasing him and transferring him to Ramallah.

Al-Quds front page reports that Israeli sources are saying that the American administration is exerting pressures on Abu Mazen to stay in his position. The Israeli newspaper Haaretz reported a senior Israeli security source in Tel Aviv as saying that President Abbas will give in to the pressures without excluding the possibility of the President's resignation. However, according to Palestinian political analyst Hani Al Masri in an article in Al Sharq Al Awsat, it is improbable that the PLO will adopt a more difficult option such as dismantling the PNA and launching resistance. According to sources, the U.S. administration is studying several initiatives, including the drafting of a letter in the name of President Obama that reiterates the United States' support of the fact that the final status solution depends on the June 4 1967 borders and its position not to recognize Israel's sovereignty over East Jerusalem. Aides to President Abbas say the President has other options and surprises if no change took place in terms of the American pressures on Israel to resume negotiations according to the Palestinian conditions.

The three major Palestinian dailies (Al Quds, Al Ayyam, Al Hayat Al Jadida) all report on a meeting between President Mahmoud Abbas, Jordanian Minister of Foreign Affairs Naser Joudeh and Dr. Riyad Al Malki, Palestinian Minister of Foreign Affairs, at his headquarters in Ramallah. The parties stated in a joint press conference that "the meeting addressed all issues of concern to the two countries in addition to other issues in the region, particularly at these important times in the life of the Arab nation." Al Malki also referred to EU's upcoming meeting in Brussels on Monday, to discuss the Swedish document that aims at recognizing East Jerusalem as the capital of the Palestinian state.

Saturday, December 5

Al Quds, Al Ayyam, and Al Hayat Al Jadida all report on statements made by a Hamas official in a newspaper interview that the conditions imposed by Israel over the release of Palestinian prisoners are preventing the conclusion of an agreement to release Gilad Shalit. Al-Hayat Al-Jadida reported that the un-named Hamas official stated that negotiations between Hamas and Israel through the German mediation and through Egypt, are facing obstacles pertaining to the number and inclusion of certain prisoners. GOI officials are reported to have decided that the anticipated prisoner-exchange deal between Hamas and Israel will not lead to any

change in Israel's policy in terms of the siege imposed on Gaza Strip, nor in terms of the restrictions on freedom of movement and movement of goods between the West Bank and Gaza Strip.

Al Quds front page reports that the local planning and construction committee in Jerusalem approved the deposit of a plan to establish the "Strauss House" in 'Al Buraq' Plaza. The plan, as reported by the weekly Israeli newspaper Yerushalym, stipulates the building of a police station, an educational center, offices for the 'Al Buraq heritage' Fund, and a building for public services. Four appeals were filed against the plan. Police sources stated also that approval of a specific plan in such a highly sensitive area requires the preparation of a comprehensive plan to examine all the organizational and public dimensions and results that the plan could have on the surrounding area and on the site itself. Jerusalem's deputy mayor is quoted as saying that "(the) area is very sensitive

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and no specific plan such as the Strauss House should be approved."

BLOCK QUOTES:

1) Issa Qaraq', Minister of Prisoner Affairs for the Palestinian Authority, writes in Al-Quds newspaper, "Shalit Deal... Lessons for Those Who Chose War" that he believes that the capture of Shalit should make Israel realize that any announcement of a future war will involve repercussions, and that the suffering will not be exclusive to Palestinians only.

2) Veteran analyst Samih Shbeib, writes in Al-Ayyam newspaper, "Will There Be A Resumption Of Negotiations?" that he believes that there are not many options left for the Palestinians to end their current crisis, in light of Israel's continued measures in Jerusalem, settlement expansion, and the purportedly biased position of the U.S. (in favor of Israel). According to Shbeib, there must be a national consensus and a new political program that can rescue the Palestinians and enable them from facing the current challenges.

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